ER1-2442 Ohrmo

CONFIDENTIAL

20 July 1955

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Resignation of 200 Members of Indore Communist Party

- 1. The Lordon Times, 6 July 1955, said "None can be more confused by the friendly Soviet advances to India than the Communist Party of India (CPI)". This statement effectively analyses the resignation from the CPI of Harishchandra Patil, organisor of the Indore District Communist Party, and 200 members of the Indore District Kisan Sabha (Communist aponsored "Farmer's Assembly").
- 2. The praise of Mehru in the <u>Prayda</u> editorial on 26 January at the height of the Andhra election campaign when the CPI was accusing Mehru and the Congress Party of being alacst enemies of the people, thoroughly shocked and demoralized the CPI. The Central Committee of the CPI met 17-29 March to reconsider policy in the light of the <u>Prayda</u> editorial but reached no conclusions. The politbure then published a 9000 word resolution on 5 July 1955 as an interim policy until the Central Committee could meet on 10-26 July.
- 3. The resolution gave almost complete support for Nehru's foreign policy—India as a member of the British Commonwealth is the only part of the policy which the CPI does not approve. Nehru is isolated from the Congress Party because the Congress Party has reactionaries who wish to modify or reverse the "progressive shift" in foreign policy. Bulganin's praise of Nehru as an independence leader caused the CPI to reverse its position that India was a semi-colonial country and had not achieved independence. The tendency of the CPI to svoid association with projects sponsored by the Government of India must be given up. "We have to participate in them actively and effectively, combat corruption, inefficiency, and bureaucratic practices, and help to implement and run them in such a way that maximum benefit is secured for the people," says the resolution.
- 4. Patil and his followers specifically mentioned 8 points of difference with the CPI of which 5 are mentioned in the attached FBIS report. The remaining 3 are the following:
 - a. while the CPI supports the foreign policy of Nehru, his policy for domestic affairs are not being supported even though the <u>Pravia</u> editorial of 26 January praised the domestic policy of Nehru;

25 YEAR RE-REVIEW

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- b. the CPI is not cooperating with the Government in the construction projects throughout the country, but rather criticize;
- c. the CPI is failing to organize the masses, and instead is using revolutionary methods.

Since the Congress Party had adopted as its primary sim the establishment of a socialistic pattern of society in India, the group felt that it was advisable to join the Congress and work within its orbit instead of working from within the CPI.

5. Summary: The reasons given by Fatil and his group for leaving the CPI are recognized as valid by the politburo resolution of 5 July. Remedial action by the CPI is recommended in almost every case by the resolution. Of course, it's entirely possible that the resignation and reasons therefore were an advance vetting of the policies emunciated in the resolution.

Assistant to DD/I (Planning)

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